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FARM BUSINESS FACTS

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Information from the Bureau of Agricultural Economics, broadcast by Wallace L. Kadderly, Monday, February 19, 1940, in the Dept. of Agriculture portion of the National Farm and Home Hour, over 90 stations associated with the NBC Blue network.

--ooOoo--

The Bureau of Agricultural Economics has released its regular monthly statement on the demand for farm products....and the price situation....and I'm going to run over it with you...briefly....before bringing up the market reports.

There was a decline in industrial activity during January but this apparently had little or no effect upon consumer demand for farm products. This recession in industrial production that appeared in January is continuing at about the same rate ....but the economists say it probably will be halted in time to prevent any major decrease in demand for farm products because of lower consumer income.

The European war is influencing the exports of our farm products....adversely. Latest data on exports confirm earlier expectations that this would be so. However, as an offsetting influence, domestic demand is being bolstered by increasing industrial exports. These tendencies are expected to continue. On Wednesday of this week, in this program, we shall go into more detail on the effect of the European war on agriculture in the United States.

Here are a few statements taken from a summary of the price and demand situation by commodities:

COTTON:

Cotton prices in domestic markets showed a little net change from mid-January to mid-February. Exports of American cotton in recent weeks have been more than 3 times as large as in the corresponding period last year.

WHEAT:

Domestic wheat prices declined during the last half of January, but have since advanced to about the same levels as in mid-January.

FEED GRAINS:

Prices of feed grains weakened slightly in late January and early February, but feed-price ratios continue unfavorable to livestock producers.

HOGS:

Supplies during the remainder of the marketing year (to October 1) will continue much larger than a year earlier.

LAMBS:

Prospects are good for early lambs in California, Arizona, and Texas.

WOOL:

Domestic supply conditions are relatively favorable for the marketing of the 1940 wool clip in the United States.

BUTTER:

Butter prices advanced from December to January instead of making the usual seasonal decline. It is expected that during the remainder of the feeding period butter prices will average considerably higher than in the corresponding period of 1939.

